

**CASTEL ENTERPRISES, LTD.**  
**TERMS AND CONDITIONS OF SALE**

1. Castel Enterprises, Ltd. ("Seller") warrants that the fabrics sold pursuant to this Agreement shall conform to the description on the face of our Confirmation of Order.

THE ABOVE WARRANTY IS GIVEN EXPRESSLY IN LIEU OF ANY AND ALL OTHER WARRANTIES EXPRESS OR IMPLIED INCLUDING THE IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE.

2. This writing contains the parties' entire agreement and supersedes the terms of Purchaser's purchase order if any. No course of prior dealings or oral statement made by Seller's employees or agents, and no trade usage shall be relevant to supplement or explain any term hereof.
3. All orders are subject to acceptance by Seller. Acceptance of orders is based upon the express condition that Purchaser agrees to all of the terms and conditions contained herein. All prices and shipments are NET (wholesale) F.O.B. New York, NY. A minimum deposit of fifty percent (50%) of the purchase price is required to initiate order. Orders for in stock products require payment in full, including shipping, handling, taxes and service charges prior to shipping. All prices are subject to change without notice.
4. All reserves and orders must be submitted in writing or if telephoned, a written confirmation must be sent via fax, e-mail or mail. A 2 yard minimum is required for all orders. Reserves with no cutting for approval ("CFA") requested are held for 15 days from date of reserve request after which time they will automatically expire with or without notice. A reserve with a CFA requested will be held for 30 days from days of reserve request and will expire with or without prior notice. CFA's may not be offered for all reserves and/or orders and certain handling charges may apply.
5. Seller shall not be responsible for any delay or failure in performance for any cause beyond Seller's control including, but not limited to, labor disputes or any event interfering with Seller's normal business operations.
6. Purchaser must carefully inspect the fabric upon receipt to verify correct pattern, color and yardage. Failure to make any claim against Seller within ten (10) days after receipt of the fabric shall constitute acceptance of the fabric and a waiver of any defects, shortages, errors or other claims. If an exact color match is required, notification of same and a cutting of the color required must be attached to the purchase order. The cutting or the processing in any manner of any of the fabric delivered under this Agreement constitutes acceptance of the same and a waiver of any claim for defect of any type.
7. In accordance with the provisions of the Flammable Fabrics Act, the fabric purchased herein is not intended for use in the manufacture of wearing apparel.
8. Natural fiber fabric characteristics: It is widely known and accepted that such fibers, but not limited to silk, wool, linen fibers contain slubs or inconsistencies that are natural characteristics of these fibers and will not affect the performance of the fabric. This variation is an inherent occurrence in the fibers production and enhances the natural appearance of the fabrics. Castel makes no guarantees for consistency of weave variations or texture. No claims will be accepted if CFA has been waived. Any pattern may be discontinued without notice. Our fabrics should only be DRY CLEANED by a reputable professional. Castel does not guarantee fabrics, dyed or natural, from fading.

9. No cancellations or returns of fabric may be made without Seller's prior written consent, which consent may be withheld for any reason. In the event that a return is authorized, same will be permitted only on such terms as Seller dictates including in each instance a pre-paid 50% restocking charge plus freight charges.
10. Seller is not responsible if Purchaser fails to specify in writing the end use of the fabric when ordering. If the fabric is being ordered for application on a wall, Purchaser must specify in writing "FOR WALL COVERING APPLICATION".
11. Any breach by Purchaser shall entitle Seller to recover interest upon any amount due hereunder, computed at 1-1/2% per month, 18% per annum, but in no event shall the interest exceed the highest amount permitted by law. Purchaser will be liable for all reasonable costs, expenses and fees, including attorney's fees, incurred by Seller in collecting monies due or to become due hereunder. Checks returned for insufficient funds will be charged \$35.00. Seller presently accepts Amex, Visa, Mastercard credit cards. The card must be in the "bill to" company name or designer's name. Seller will not reverse charges on credit cards, any refund will be reimbursed by check. If an order paid by credit card is cancelled, a 10% credit card fee may be charged, exclusive of any restocking fee.
12. Textile products, both natural and synthetic, are often treated during the spinning, dyeing, weaving and finishing processes. We always suggest that before our product is installed at the final destination, proper consideration be given to an appropriate heat, humidity, ventilation waiting period to aerate the product.
13. An "In Stock commitment form" is required for quantities exceeding 49 yards. If the item is not in stock at time of order and the stock is produced specifically for the order, a "Back order commitment form" is required for quantities exceeding 25 yards. If the purchaser wishes to cancel due to a dyelot variation, Seller reserves the right to determine whether the CFA is within acceptable industry limits. If Seller deems the CFA to be within the acceptable range, Seller reserves the right not to accept the cancellation. If Purchaser waives a CFA, the goods are not returnable. Any textiles which have been cut, treated or processed are not returnable.
14. Seller supplies product without prior knowledge of where it may be used or installed. Test information provided by Seller if any, is made available solely as a guideline and no guarantees or representations of any kind are made in such regard.
15. In no event shall Seller be liable for any consequential damages or shall Seller's liability for any reason whether stemming from any purported breach or otherwise exceed the amount paid by Purchaser to Seller for the subject merchandise.
16. Unless specifically stated to the contrary, all delivery and in-transit insurance charges, as well as sales or other taxes are in addition to the stated purchase price.
17. If any provision of this Agreement is declared invalid by any court, the remaining provisions of the Agreement shall not be affected thereby.
18. Should Purchaser not be able to accept merchandise after notification of availability is given to Purchaser, Purchaser will be liable for storage charges.
19. All quoted completion and delivery dates are estimates only. Seller shall not be liable for delays in completion or shipment or default in delivery for any reason including, but not limited to, for

any cause beyond Seller reasonable control (a) government action, war, riots, civil commotion, embargoes or martial laws, (b) Seller inability to obtain necessary materials from its usual sources of supply, (c) shortage of labor, raw material, production or transportation facilities or other delays in transit, (d) labor difficulty involving employees of Seller or others, (e) fire, flood or other casualty, or (f) other contingencies of manufacture or shipment. In the event of any delay in Seller's performance due in whole or in part to any cause beyond Seller's reasonable control, Seller shall have such additional time for performance as may be reasonably necessary under the circumstances. Acceptance by Purchaser of any goods shall constitute a waiver by Purchaser of any claim for damages on account of any delay in delivery of such goods.

20. Every effort is made to keep stock as close in color and quality to the original sample as possible. However, slight variations in shade cannot be avoided; a change in dyelot is not a sufficient reason for a return or credit. If matching is essential, request a cut from present stock (CFA).
21. Be advised that computer images do not always represent color accurately. Please note that color options and/or color names do not represent the composition of the product.
22. Any shipments returned to Castel as a result of Purchaser's unexcused delay or failure to accept delivery will require Purchaser to pay all additional costs incurred by Castel including storage fees.
23. This document shall be binding either (a) when signed and returned by Purchaser; (b) when retained by Purchaser for five (5) days without objection; or (c) when Purchaser has otherwise confirmed acceptance.
24. This Agreement shall be governed by the laws of the State of New York and cannot be changed except by further writing signed by the party against whom such change is sought to be enforced. Any action arising out of or relating to this Agreement must be commenced within one (1) year after the cause of action has accrued, and such action shall be brought only before the Supreme Court, State of New York, County of New York, and the parties consent to the jurisdiction of said court.